

The Cultural Convention District Strategy Development Plan

The Livable Streets Plan



Response

By

Custom Touch Design, Inc.

1207 Cobb Crossing

Smyrna, GA 30080

(770) 529-4461 or (404) 713-3725

Due Date June 17, 2005

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Custom Touch Design, Inc.

June 17, 2005

Raleigh City Manager's Office
222 West Hargett Street, Room 228
Raleigh NC 27601

Dear Mr. J. Russell Allen – City Manager:

Custom Touch Design, Inc is pleased to submit to The City of Raleigh, North Carolina our response for the Livable Streets Plan to construct the new Convention Center for downtown Raleigh, North Carolina, due June 17, 2005. The proposal response is entitled The Cultural Convention District Strategy Development Plan: Livable Streets Plan.

We are confident that our proposal provides the best understanding of alternative development scenarios for Development Site #1; Scenario 3: Residential and Health Spa Mixed Use Project which are supportive of the Livable Streets program and appear to be feasible in the current market. This proposal will provide a clear development approach and strong credentials for our ability to execute Scenario 3: Residential and Health Spa Mixed Use Project plan. We will assemble an expert team with more than twenty years combined experience in development project management both as consultants and as senior development team members.

Custom Touch Design has successfully completed many projects for local, state and federal governmental agencies.

If you should have any questions concerning our proposal response please contact Barbara Franklin at 770-529-4461 or 404-713-3725.

Sincerely,

Barbara Franklin
President/Developer

INTRODUCTION

Custom Touch Design is pleased to present our proposal for The Livable Streets Plan based on best practice and our approach for transitioning from the current structure to the proposed model.

Custom Touch Design is pleased to present our proposal for The Livable Streets Plan which calls for a “Five in Five” strategy to accomplish 5 major goals in 5 years. The Cultural / Convention District Strategic Development Plan identifying four alternative development scenarios for Development

We are confident that our proposal provides the best combination of understanding the current situation at The City of Raleigh, North Carolina. This proposal will provide a clear technical approach, and strong credentials for our ability to execute our plan. We will assemble an expert team with more than twenty years combined experience in development, architectural engineering and business management both as consultants and as senior level professionals.

Custom Touch Design has successfully completed many projects for various governmental agencies including international engagements.

Management Team

Custom Touch Design has assembled a strong team to perform this important work. The Development Manager has successfully led many state local and federal government projects, including land development and interior design projects in addition to many others. Custom Touch Design has a strong reputation in successfully completing government projects.

The three senior analysts on our project team have more than fifteen years each in master development and in senior management positions. They are experts in all aspects of Development management and staffing. They have worked together on many projects over the years and are interchangeable as far as activities are concerned.

Conclusions

We have addressed all aspects of the evaluation selection criteria for City of Raleigh/Raleigh City Council. Our Development Approach is a proven methodology which has been customized to meet the specific requirements of The City of Raleigh. Our project team has a combined fifty years experience and brings the Direct Experience as shown in our Resumes in master development management. Our management approach employs solid management techniques and tools to produce the outcomes that The City of Raleigh expects. The result of this combination of tools, skills, and experience create the best value proposition for a successful project for The City of Raleigh: The Livable Streets Plan the strongest opportunity for success.

We are confident that if chosen, Custom Touch Design will complete this important work on-time, within budget, and exceed The City of Raleigh expectations.

Developer Information

Custom Touch Design Team Members

Primary Contact Name: Barbara Franklin

Telephone Number: (770) 529-4461

Email Address: customtouch05@yahoo.com ; ctd1207@earthlink.net
tander15@bellsouth.net

Officer(s) authorized to negotiate with the City: Barbara Franklin

Identification of the Urban Design professional:

Joel Digby (Acme American, LLC) is the urban design professional responsible for this aspect of the project.

Custom Touch Design Organizational Structure Chart:

Barbara Franklin – President – CEO

Theresa Anderson – Senior Business Management Consultant

Joel Digby – Architect Engineer

J. Wayne Proctor, Jr., P.E., - RLS - Engineer

Arman Gasparian – Financial Consultant

Description of the legal structure of the team:

Custom Touch Design, Inc. legal structure is a Corporation.

Custom Touch Design, Inc.

Developer Experience

Custom Touch Design Development Experience (public/private developments)

Name:	AMERICAN MECHANICAL
Contract:	DAHC76-99-D-0017
Start:	08/19/1999
End:	01/26/2000
Value:	01304811
Contact:	JOHN WENTZ
Phone:	907-356-5467

Name:	RENOVATION of AFRC HEADQUARTERS BUILDING 210
Contract:	DACA21-00-C-0047
Start:	07/08/2002
End:	09/15/2203
Value:	246,012.00
Contact:	HARRY AMOS
Phone:	478-328-0009

Name:	PRIVATIZATION of FAMILY HOUSING LAUREL BAY BEAUFORT MILITARY COMPLEX
Contract:	N62467-CCN
Start:	12/05/2003
End:	08/26/2004
Value:	03897926
Contact:	AMANDA LINVILLE
Phone:	707-256-2337
Name:	THINNER: FOR PHENOL-FORMALDEHYDE AND MEDIUM OIL AND STYRENATED AL

Custom Touch Design, Inc.

Contract:	BPA-GS-06F-4CUST
Start:	07/02/2002
End:	07/15/2003
Value:	150,000.00
Contact:	BRIAN JOHNSON
Phone:	816-823-4036

Name:	FLEET & INDUSTRIAL SUPPLY CENTER (COMMERCIAL ACTIVITES DIV)
Contract:	N444663044XX01
Start:	04/18/2003
End:	06/28/2003
Value:	00389756
Contact:	MATTIE WASHINGTON
Phone:	904-542-1082

Name:	CONTRACTING SQUADRN McGuire AFB, NJ
Contract:	F28609-99-D-004
Start:	10/01/2000
End:	11/16/2001
Value:	00441991
Contact:	ROSE LEE
Phone:	609-724-6091

Name:	CITY OF PHILADELPHIA PROCUREMENT
Contract:	T4-Z4875-0
Start:	11/30/2003
End:	04/29/2005
Value:	00423124
Contact:	WILLIAM GAMBLE
Phone:	

Name:	FRIST BAPTIST CHURCH OF WOODSTOCK GA.
Contract:	FLK0214128
Start:	09/16/2002
End:	01/24/2004
Value:	1,002,936.00

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Contact:	MICHAEL FREBERG
Phone:	678-581-6400

Name:	CITY OF PHILADELPHIA PROCUREMENT
Contract:	T4-Z4875-2
Start:	10/30/2003
End:	01/15/2004
Value:	00297467
Contact:	WILLIAM GAMBLE
Phone:	215-686-4721

Custom Touch Design, Inc.

Developer History, Financial Position and Abilities

Custom Touch Design

Founded 1991, Custom Touch Design, Inc. began as an Interior Finishing Contractor, Residential and Commercial. In, 1993, we expanded our capabilities to Land Development of the building and construction industry, as well as, the Interior and Exterior Finishing trade. Also, commercial renovation and new construction. Custom Touch Design has redesigned over 14 businesses within the Bankhead (Atlanta, GA) commercial area by updating the building fronts to a more contemporary view.

Custom Touch Design has generated \$6 + million in Interior Finishing – related revenues in 1996 – Fairbanks, AK. Our company has maintained a solid reputation for governmental built homes, as well as, efficiently manages multiple projects concurrently, managing a staff of over 40 employees simultaneously. Successful with BEQ and single family housing large commercial projects in Great Lakes, IL. (Conception-punch out) \$4.7 million.

Custom Touch Design Proposed Associate Team Members

Barbara Franklin – Developer (Custom Touch Design, Inc)

Relevant Qualifications: Executive Professional with over fifteen years of experience in construction, strategic sales & marketing, total quality customer service, business growth, and development. Combined excellent managerial and team-building skills with imaginative and effective sales and marketing expertise. A mastery of financial management and profit attainment consistent with high quality workmanship and customer satisfaction. Construction and Development strong skills:

- Residential and Commercial
- Estimations and Cost Finding
- Site Work/Layouts/Survey Interpretations
- Feasibility Studies/Consulting
- Blue Print Reading
- Contract Development
- Traditional and Contemporary Work
- Renovations and Tenant Improvements
- Restorations - Updating

Theresa Anderson – Senior Business Consultant (T&T Consulting Services, Inc)

Relevant Qualifications: Senior executive with over twenty years experience and demonstrated success as a responsive leader in urban health care, business development and business management positions. In-depth background in strategic management and sourcing, as well as, support services. Business orientated with customer focus. Proven leadership in directing staffs with multi-million dollar budgets. Proven ability to work independently or as a member of a multi-disciplinary team. Especially strong skills in:

- Values-based leadership
- Strategic/contingency planning
- Interpersonal relations/communications
- Healthcare management/consultant
- Staff development and team building
- Problem identification/resolution
- Project/Program Management

Custom Touch Design, Inc.

Joel Digby/ J. Wayne Proctor, Jr., P.E. RLS – Architect Engineer(Acme American, LLC)

Relevant Qualifications: Registered Architect Professional, with over fifteen years experience, has the capacity and experience to provide architectural and structural design, construction documents, and construction administration on a wide variety of building types, thus providing unique, customized services to each client and project based upon specific individual needs. Civil Engineering, given the broad nature of Civil Engineering has provided project management, site planning, sewer design, subdivision design, road design, bridge design and numerous other services as each project demands. Hydrology, the performance of hydrological studies prevents potential long-range problems, provides substantial savings in design and construction costs, and allows the client to address wetland concerns and new laws before problems arise. Land Surveys, to guide the engineer in his design by interpreting site conditions and acting as the eyes of the engineer in the preliminary stages of a project. Acme American uses state-of-the-art equipment, including computer-aided drafting (AutoCAD), and total station surveying equipment, providing boundary surveys, topographic surveys, as-built surveys, and construction staking. Geotechnical Engineering, the recent rapid growth of most metropolitan areas has created a demand for less than desirable sites in many cases. ACME American specializes in analyzing the economics of building on such a site and the feasibility of actually making it happen. We provide our clients with creative but safe and realistic construction solutions. Economical foundation designs, slope stability, and proper drainage are essential to development. At ACME American, our knowledge, experience, and state-of-the-art techniques are invaluable to preliminary design and planning for your project.

Arman Gasparian – Financial Consultant (GMA Commercial Real Estate Financing)

Relevant Qualifications: A Senior Vice President of Finance and Business Development. His primary responsibility is the creation and development of Funding Partners, LLC. a multi-million dollar funding source for the global deployment of the Owners' Income Enhancement Program. Mr Gasparian holds a bachelor degree in Marketing, a M.S. in Psychology and Business Education and an MBA with a major in Finance.

Project Information

Written Description

Custom Touch Design proposed development project for Scenario 3: Residential and Health Spa Mixed Use Project for the Livable Streets Plan.

Condominiums (condos) in the price point range of \$250K to \$600K with a total of 200 units. The building shall be a swim/spa/fitness center.

The condos shall be 1, 2 and 3 bedroom units.

One bedroom specifications:

- 1 bedroom unit 1 bath with kitchen, living and dining combo
- 1 bedroom unit with den 1 bath, kitchen, living and dining
- 1 bedroom unit with den 1 ½ bath, kitchen, dining room, living room

Two bedroom specifications:

- 2 bedroom unit 1 ½ bath, kitchen, living and dining combo
- 2 bedroom unit 2 bath, kitchen, living and dining
- 2 bedroom unit 2 ½ bath w/den, kitchen, dining room, living room

Three bedroom specifications:

- 3 bedroom unit 2 baths, kitchen, living room, dining room
- 3 bedroom unit 2 ½ baths, den, kitchen, living room, dining room
- 3 bedroom unit 3 ½ baths, den, kitchen, living room, dining room

The building concept:

- 24-hour concierge services
- Valet Parking
- Hotel style lobby & club rooms
- Virtual Art Gallery
- State-of-the-Art Fitness Center
- Spa Rooms
- Weekend bar services
- Heated Pool and Sundeck with Towel Services
- Private Floor Sky Lounge with Restaurants
- European Wine Cellar with Wine Tasting Room and Private Lockers
- Dry Cleaners and Fur Lockers
- Hair and Nail Salons
- Guest Suites
- State-of-the-Art Business Center
- Clothing and Shoe Galleries
- Putting Greens on Rooftop

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- Car Detailing Services
- State-of-the-Art Security
- Conference Rooms
- Movie Theater (seating 24 people)

Program Proposal

USES:

1. Principal uses shall be residential. Other allowed uses shall be uses permitted by right as defined by the PD-OC zoning.
2. Buildings for principal uses shall be located generally within their designated site areas.
3. Principal uses, ancillary uses and PD-OC permitted uses may be incorporated within parking structures.
4. Parking and structures for parking may be incorporated into the building structures of the principal uses above and below grade.
5. Combinations of and vertical integration of principal, ancillary and permitted PD-OC uses are permitted.
6. Entitled square footages of principal uses not utilized for constructed improvements may be re-allocated to other sites within the property where those uses are permitted, subject to the building height limitations, building set back requirements from external perimeter property lines and the maximum allowable total site parking spaces.
7. The maximum residential density shall not exceed 670,00 square feet. This shall consist of up to 500,000 square feet to be located on Site 4 (exclusive of street level retail and other permitted ancillary uses) and up to 170,000 square feet.

LOCATION AND ORIENTATION OF IMPROVEMENTS:

1. Building footprints, including their orientation and configuration, on the site are conceptual in nature and may be changed, reoriented and reconfigured except that building edges and building improvements above grade may not be any closer to the exterior perimeter property lines than as indicated on the site plan.
2. Alignments of internal streets are conceptual in nature and may be changed to accommodate specific site and building improvements.

BUILDING HEIGHTS:

1. Parking structures may be no more than ten (10) levels or 120 feet above the highest grade elevation contiguous with the structure.
2. Residential multifamily structures located on Site 4 may be no more than forty (40) stories or 470 feet high as measured from the highest grade elevation contiguous with the structure to the eave line of the roof of the highest habitable floor.

3. The building structure located on Site 4 may be no more than twenty (20) stories or 280 feet high as measured from the highest grade elevation contiguous with the structure to the eave line of the roof of the highest habitable floor.
4. The residential structures located on Site 4 may be no more than ten (10) stories or 145 feet high as measured from the highest grade elevation contiguous with the structure to the eave line of the roof of the highest habitable floor. In the event residential structures located on Site 4 are constructed over and atop exposed, above grade parking structures, the combined elevation of the residential and parking structure shall not exceed twelve (12) stories or 174 feet above the highest grade elevation contiguous with such combination residential/parking structure.

INTERIM MEASURES:

1. Interim building measures such as site and infrastructure improvements, temporary surface parking lots, fencing, screening, grading, construction staging and office compounds and temporary internal streets, to accommodate phased construction development and use and occupancy of the property shall be permitted

LANDSCAPING:

1. Landscaping shall be provided for street level of building and parking structures.
2. Main internal streets shall include pedestrian sidewalks on at least one side of the street.
3. The developer shall complete a tree survey prior to the removal of any trees, and notify a representative in advance of such survey and allow a representative to be present.

Building Proposal

Preliminary Project Budget Estimate Level 4

Residential	200 units @ 2000 sf @ \$175/sf	= \$70,000,000
Lobby, Commercial, Support, etc	2 levels @ 40,000 sf @ \$350/sf	= \$28,000,000
Mechanical, misc	2 levels @ 40,000 sf @ \$50/sf	= \$4,000,000
Parking	(600 spaces) 210,000 sf @ \$50/sf	= \$10,000,000
Site work	<u>To be determined</u>	= \$3,000,000
Total		= \$115,000,000

Fees:		
10% Design and Construction Administration (Acme American, LLC.)		= \$11,500,000
20% Consultation, permit, and origination fees, etc. (not Acme American, LLC)		= \$23,000,000
20% General Contractor Overhead and Profit		= \$23,000,000
<u>20% Contingency and over run</u>		= \$23,000,000
Total		= \$195,500,000

\$195,500,000 equates to \$977,500 / unit in construction cost, therefore if units were sold according to the following schedule, please consider the return: 50 units @ \$750,000, 100 units @ \$1,000,000 and 50 units @ \$1,500,000 then the gross return would be \$212,500,000. That's a \$17,000,000 difference (\$85,000/unit, avg).

Preliminary Project Budget Estimate Level 3

Residential	200 units @ 2000 sf @ \$175/sf	= \$70,000,000
Lobby, Commercial, Support, etc.	2 levels @ 40,000 sf @ \$350/sf	= \$28,000,000
Mechanical, misc.	2 levels @ 40,000 sf @ \$50/sf	= \$4,000,000
Parking	(600 spaces)	= \$6,000,000

Custom Touch Design, Inc.

	210,000 sf @ \$25/sf	
Site work	<u>To be determined</u>	= \$2,000,000
Total		= \$110,000,000

Fees:		
10% Design and Construction Administration (Acme American, LLC)		= \$ 11,000,000
20% Consultation, permit, and origination fees, etc. (not Acme American LLC)		= \$22,000,000
20% General Contractor Overhead and Profit		= \$22,000,000
<u>20% Contingency and over run</u>		= \$22,000,000
Total		= \$187,000,000

\$187,000,000 equates to \$935,000 / unit in construction cost, therefore if units were sold according to the following schedule, please consider the return: 50 units @ \$800,000, 100 units @ \$950,000 and 50 units @ \$1,350,000 then the gross return would be \$202,500,000. That's a \$15,500,000 difference (\$77,500 / unit, avg).

Project Schedule



Microsoft Word
Document



Microsoft Excel
Worksheet



Microsoft Excel
Worksheet

Financial Information

Financing

Custom Touch Design proposed financing method will be from GMA Commercial Real Estate Financing. GMA shall finance 100% of this project for Livable Streets Plan. Custom Touch Design has created a working business relationship with GMA, Inc. Since 1980, GMA has been providing tailor made financing for all types of commercial real estate properties with a very experienced, professional team Nationally and Internationally. Capital available from \$1million to \$100 million is provided in a variety of formats to meet the goals for each individual project.

The total of the loan will be \$198 million provided by GMA Commercial Real Estate Financing. The direct amount of equity would be 80% which equates to \$148 million. Loan to value is 80%. Debt-to-equity ratio would be 80/20. There will not be any types of debt utilized for this project.

A general proforma in regards to the development of the project will be forth coming.

Custom Touch Design, Inc.

Relationship to City

Custom Touch Design assumes that City of Raleigh, North Carolina will relinquish the property/land to our company. No other financial relationships involving the City will be necessary in conclusion.

Custom Touch Design, Inc.

Special Conditions

Custom Touch Design has special conditions to propose or ask the City of Raleigh, North Carolina to provide as part of the final Development Agreement to back the financing with property bonds. Eligibility for 25% state and local tax credit.

Custom Touch Design, Inc.

Statement of MWBE Participation

Custom Touch Design itself is a 100% minority women business enterprise.

A P P E N D I X